

1 operations and wishes to ensure that the financial practices of insurers do not undermine
2 market stability or unfairly burden policyholders.

3 THEREFORE, BE IT RESOLVED that the Louisiana Legislature does hereby
4 authorize and direct the legislative auditor, along with the Department of Insurance, to study
5 and report on the financial transactions between foreign and domestic insurers writing
6 coverage for residential property and private passenger auto insurance who are authorized
7 to do and are doing business in Louisiana and their affiliated companies, including but not
8 limited to managing general agents, holding companies, and service providers from January
9 1, 2021 to December 31, 2024.

10 BE IT FURTHER RESOLVED that the report shall, at minimum:

11 (1) Examine financial data;

12 (2) Examine affiliated company relationships disclosed in regulatory filings,
13 including but not limited to annual statements and filings required by Act 488 of 2024;

14 (3) Categorize the nature of payments including but not limited to management fees,
15 reinsurance premiums, commissions, administrative services, and dividends;

16 (4) Assess whether such payments affected insurers' reported losses, surplus levels,
17 or rate filings.

18 (5) Summarize any findings from examinations conducted by the Louisiana
19 Department of Insurance or the responsible state insurance department that relate to
20 transactions between insurers and MGAs or other affiliates.

21 BE IT FURTHER RESOLVED that the legislative auditor may contract with
22 independent consultants to assist in the conduct of the study, including actuaries, forensic
23 accountants, and insurance finance experts.

24 BE IT FURTHER RESOLVED that the legislative auditor shall submit a written
25 report of its findings and any recommendations for legislative or regulatory reforms or
26 matters for legislative consideration to the Legislature no later than September 1, 2026, and
27 to the David R. Poynter Legislative Research Library, as required by R.S. 24:771.

28 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
29 legislative auditor.

